



WEST CHESTER, PENNSYLVANIA

FINANCIAL STATEMENTS

DECEMBER 31, 2016

(See Independent Accountant's Review Report)

WEST CHESTER AREA EDUCATION FOUNDATION

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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

February 1, 2017

To the Board of Directors
West Chester Area Education Foundation
West Chester, Pennsylvania

We have reviewed the accompanying financial statements of the West Chester Area Education Foundation (a nonprofit organization), which comprise the statement of financial position as of December 31, 2016, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Barbacane, Thornton & Company LLP

BARBACANE, THORNTON & COMPANY LLP

BARBACANE
THORNTON
& COMPANY
CERTIFIED PUBLIC ACCOUNTANTS

**WEST CHESTER AREA EDUCATION FOUNDATION
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2016**

<u>ASSETS</u>	
Cash	\$ 39,610
	<hr/>
TOTAL ASSETS	\$ 39,610
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<u>LIABILITIES AND NET ASSETS</u>	
LIABILITIES	\$ -
	<hr/>
NET ASSETS	
Unrestricted	39,610
	<hr/>
TOTAL NET ASSETS	39,610
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TOTAL LIABILITIES AND NET ASSETS	\$ 39,610
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See accompanying notes and independent accountant's review report.

**WEST CHESTER AREA EDUCATION FOUNDATION
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2016**

REVENUE AND SUPPORT	
Contributions	\$ 102,871
Special events, less direct expenses of \$12,509	25,199
Other income	4,294
TOTAL REVENUE AND SUPPORT	<u>132,364</u>
 EXPENSES	
Program services:	
Foundation awards	115,960
Support Services:	
Professional services	1,600
TOTAL EXPENSES	<u>117,560</u>
 CHANGE IN NET ASSETS	 14,804
 NET ASSETS, BEGINNING OF YEAR	 <u>24,806</u>
 NET ASSETS, END OF YEAR	 <u>\$ 39,610</u>

See accompanying notes and independent accountant's review report.

**WEST CHESTER AREA EDUCATION FOUNDATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2016**

CASH FLOWS FROM OPERATING ACTIVITIES:

Change in net assets	\$ 14,804
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>14,804</u>

NET INCREASE IN CASH	14,804
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CASH, BEGINNING OF YEAR	<u>24,806</u>
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CASH, END OF YEAR	<u><u>\$ 39,610</u></u>
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SUPPLEMENTAL INFORMATION:

Taxes paid	<u>\$ -</u>
Interest paid	<u><u>\$ -</u></u>

See accompanying notes and independent accountant's review report.

WEST CHESTER AREA EDUCATION FOUNDATION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016

(See Independent Accountant's Review Report)

NOTE 1 THE ORGANIZATION

The West Chester Area Education Foundation ("the Foundation") was formed on October 25, 2010 as an independent, non-profit organization with the mission of supporting educational experiences that will connect the West Chester Area School District ("the District") curriculum with real world experiences.

Programs, projects, and activities sponsored by the Foundation are aligned with the District's strategic plan and mission statement, inspiring students to achieve their personal best. The Foundation provides mini-grants to teachers to help pay for field trips and other unique experiences for students in the District, as well as internships for students to gain work experience.

The Foundation's Board of Directors consists of District retirees, alumni, local business people, and District staff. The Board is responsible for all operations of the Foundation. It administers funds received from public donations, fundraisers, and grants.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The Foundation's policy is to prepare its financial statements on the accrual basis of accounting.

Use of Estimates in the Preparation of Financial Statements

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Financial Statement Presentation

In accordance with the section of the Financial Accounting Standards Board Accounting Standards Codification ("FASB ASC") regarding financial statements of not-for-profit organizations, the Foundation is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. In addition, the Foundation is required to present a statement of cash flows.

WEST CHESTER AREA EDUCATION FOUNDATION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016

(See Independent Accountant's Review Report)

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Contributions

In accordance with the section of the FASB ASC regarding accounting for contributions received and contributions made, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions.

NOTE 3 CASH

The Foundation maintains cash in a checking account. The bank balance of this account at December 31, 2016 was \$39,610 and was fully covered by federal depository insurance.

NOTE 4 DONATED SERVICES

The Foundation receives donated services in the form of Board management. No value has been assigned in the financial statements for these services since they do not meet the criteria for recognition as contributed services in accordance with generally accepted accounting principles.

NOTE 5 INCOME TAXES

The Foundation is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. However, income from certain activities not directly related to the Foundation's tax-exempt purpose may be subject to taxation as unrelated business income.

Generally accepted accounting principles prescribe rules for the recognition, measurement, classification, and disclosure in the financial statements of uncertain tax positions taken or expected to be taken in the Foundation's tax returns. Management has determined that the Foundation does not have any uncertain tax positions or associated unrecognized benefits that materially impact the financial statements or related disclosures. Since tax matters are subject to some degree of uncertainty, there can be no assurance that the Foundation's tax returns will not be challenged by the taxing authorities and that the Foundation will not be subject to additional tax, penalties, and interest as a result of such challenge.

WEST CHESTER AREA EDUCATION FOUNDATION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016

(See Independent Accountant's Review Report)

NOTE 6 CONCENTRATIONS

The Foundation received 23 percent of its total revenue and support from First Resource during the year ended December 31, 2016.

NOTE 7 SUBSEQUENT EVENTS

The Foundation has evaluated all subsequent events through February 1, 2017, the date the financial statements were available to be issued.